Amendments to the Claims:

The following listing of claims will replace all prior versions, and listings, of claims in the application:

1. (Currently Amended) A method for reformatting binary image data, comprising the sequential steps of:

converting binary image data into gray scale image data;

segmenting the converted gray scale image data into a first plane having high spatial frequency gray scale image data and a second plane having low spatial frequency gray scale image data; and

separately compressing the high spatial frequency gray scale image data in the first plane and the low spatial frequency gray scale image data in the second plane.

- 2. (Currently Amended) The method of claim 1, wherein segmenting gray scale image data includes segmenting the high spatial frequency gray scale image data into a plurality of planes blocks based on gray scale levels of the high spatial frequency gray scale image data.
 - (Original) The method of claim 1, further comprising:enhancing the low spatial frequency gray scale image data in the second plane.
- 4. (Currently Amended) A computer readable <u>storage</u> medium or a <u>modulated</u> signal being encoded to perform that stores a program that embodies the method of claim 1.
 - 5-8. (Canceled)
- 9. (Original) An apparatus to reformat binary image data, comprising:

 a converter to convert binary image data into gray scale image data;

 a segmentor to segment the converted gray scale image data into high spatial frequency gray scale image data in a first plane and low spatial frequency gray scale image data in a second plane;

a first compressor to compress the high spatial frequency gray scale image data in the first plane; and

a second compressor to compress the low spatial frequency gray scale image data in the second plane.

- 10. (Currently Amended) The apparatus of claim 9, wherein the segmentor segments the high spatial frequency gray scale image data into a plurality of planes-blocks based on gray scale levels of the high spatial frequency gray scale image data.
- 11. (Original) The apparatus of claim 9, further comprising:

 a filter to enhance the low spatial frequency gray scale image data in the second plane.
 - 12. (Original) A marking device incorporating the apparatus of claim 9.
 - 13. (Original) A digital photocopier incorporating the apparatus of claim 9.
- 14. (Original) A stand alone document scanner or a multifunctional device incorporating the apparatus of claim 9.
 - 15-20. (Canceled)